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DIRECTORATE OF INTELLIGENCE

MEMORANDUM

The Situation in Vietnam

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Information as of 1600 10 July 1967

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HIGHLIGHTS

The heavy fighting between US Marine and Communist forces near the Demilitarized Zone has subsided although sporadic contacts and enemy shelling continue to be reported.

- I. The Military Situation in South Vietnam: Although heavy fighting has subsided in the DMZ area, sporadic encounters and enemy barrages continue to be reported (Paras. 1-4).
- II. Political Developments in South Vietnam: Supporters of the civilian presidential candidates are generally optimistic that their candidates' chances of winning are better against the Thieu-Ky ticket than they would have been against a ticket headed by Ky. (Paras 1-3).

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- IV. Other Communist Military Developments: There is nothing of significance to report.
- V. Communist Political Developments: Hanoi has elevated its representative in Cambodia to the rank of ambassador (Para. 1).

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I. THE MILITARY SITUATION IN SOUTH VIETNAM

- 1. The intensity of the fighting between North Vietnamese Army (NVA) soldiers and US Marines near the DMZ in northeastern Quang Tri Province has diminished. Several sporadic clashes and continued enemy bombardment of allied positions were reported on 9-10 July, however.
- 2. Updated casualty figures show American losses of 156 killed, 840 wounded, and one missing since 2 July, when the heavy fighting began. Enemy soldiers killed since that date number 1,083.

II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

1. The reaction of the leading civilian presidential candidates to the Thieu-Ky ticket is mixed but generally optimistic,

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Tran Van Huong's supporters believe that his chance of winning has been enhanced because the opportunity for honest elections will be better and because voters will view the Thieu-Ky slate as "more of the same." They also think that Ky's campaign organization will not function as effectively for Thieu. Huong's colleagues are reportedly somewhat concerned, however, that "Big" Minh will draw votes away from Huong if the Provisional National Assembly and the central election council allow Minh to run.

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3. At least one significant organization, the Greater Solidarity Force comprising northern refugee Catholics, is not now certain which ticket it will support, having previously voted to back the expected ticket of Premier Ky and Nguyen Van Loc. In addition, the central committee of the Hoa Hao religious sect, which had appeared likely to support Ky's candidacy, is again engaged in internecine squabbling, although it is not clear how directly this is related to the issue of support for Thieu and Ky. In any event, it is apparent that the major blocs of political and religious strength are reassessing their allegiances in the light of the military ticket headed by Thieu as well as of the meaning of "Big" Minh's re-emergence on the Saigon political scene.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

V. COMMUNIST POLITICAL DEVELOPMENTS

1. Hanoi announced on 7 July that its representative to Cambodia now holds the rank of ambassador. Nguyen Thuong, the new ambassador, is a veteran of the DRV foreign service and has been Hanoi's representative in Phnom Penh since August 1966, but only with rank of government representative. His elevation to ambassador is in keeping with Sihanouk's recent decision to grant full diplomatic recognition to the DRV. Thuong has been in Hanoi since early June along with a number of other DRV diplomats.

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